



Daniel Marín, Sales Director Healthcare & Retail – Reckitt Benckiser Spain

Nigel Wright's Miriam Cruz spoke to Daniel Marín, Sales Director for Reckitt Benckiser's Spanish Consumer Healthcare Division to find out what strategies the business has adopted to overcome Spain's challenging healthcare market. >>

The Spanish consumer healthcare market has grown strongly in recent years, yet tough price controls as well as new legislation which requires doctors to prescribe only generic rather than branded drugs, have impacted that growth. With the onset of recession and the ongoing economic crisis in Spain, health is not viewed by consumers as 'essential' consumption and Spaniards have tended to ignore OTC products in favour of government 'reimbursed' options. This has obviously impacted sales.

What impact has the new legislation had on the consumer healthcare sector?

The changes have hurt the drug companies but also the pharmacies that were not prepared - those that were relying solely on incomes from reimbursed products. Many pharmacies were already facing cash issues and I would expect that some of them will not survive. The majority, however, will adapt to the new market rules and become stronger.

How does Reckitt Benckiser approach the Spanish Healthcare market?

The healthcare sector in Spain is highly regulated, the same as any other country. Patients are protected by clear regulation rules that OTC products cannot overwrite. Therefore, Reckitt Benckiser doesn't have





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a different sales approach for the Spanish consumer healthcare market. It is considered the same as any other European market.

What are the opportunities in the market for companies like Reckitt Benckiser?

Despite the new changes in the legislation in Spain, the market still reveals a lot of growth opportunities. Pharmacies would face high losses if generic drugs were the only drugs available for consumers. It is anticipated that reimbursed products will ultimately decrease and there will be more self medication, which means that the pharmacist will have a key role to play in the sector. Innovation is still valued by Spanish consumers and Reckitt Benckiser has an important role to play in both educating consumers and also helping pharmacists to drive changes in the market. Spanish consumers are becoming more concerned about their health and this trend is unlikely to change.

What will ultimately drive your success?

The Spanish market is very competitive and the new legislation will essentially force companies to reassess sales strategies. If doctor prescriptions can no longer be relied on to drive sales, there will be more competition in store, at the point of sale, where OTC products will increasingly play a key role. As I noted earlier, consumers need to be educated about the changes and pharmacists should be encouraged to play a more active role. The opportunity is there for businesses like Reckitt Benckiser to grow alongside the pharmacists. As Reckitt Benckiser is already driving the sales of its OTC brands around the world, this is not really a drastic change to our global sales processes and strategy. We will certainly have to innovate further in the coming years to avoid getting into any spiral of decline.

What are your predictions for the Spanish Economy in general, in the coming months?

It is just a question of time, but the market will recover and grow again. There is a great deal of belief and perseverance in Spain, which is perhaps not portrayed in the global media. There is so much talent in Spain and every day we hear about new business ideas, or about growing companies that have experienced success in export markets. The worst thing is for people to think that nothing can change and that we'll have to wait for better days. Certainly the attitude I have experienced from people recently is one which is positive, motivated and eager to win.

Nigel Wright Group is committed to supporting the consumer healthcare sector in Spain. We have strong relationships in the wider consumer market and have supported our clients, in sourcing talent locally as well as bringing in the best talent from the around the world.

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